

MEMORANDUM FOR DISTRIBUTION

FROM: MICHAEL L. TELSON  
CHIEF FINANCIAL OFFICER

SUBJECT: Successful Practices for Achieving Travel Savings

As I am sure you have heard, GAO recently completed a report on DOE contractor travel entitled, “*DOE Management: Opportunities for Saving Millions in Contractor Travel Costs.*” While the report acknowledges some of our achievements in reducing travel costs, it also concludes that additional savings are possible in this area.

As a part of our effort to further reduce travel costs, some organizations in the DOE community have forwarded descriptions of practices that they have successfully used to achieve travel savings. I have attached a compendium of these practices.

If you have developed any other practices that can be used to reduce travel costs, please send them to us and we will share them with the entire DOE community. I encourage those DOE organizations with managerial cognizance over M&O and similar contractors to share these ideas with their contractors and to solicit additional savings suggestions from them.

I hope that these practices will be useful to you in our ongoing efforts to operate the Department of Energy as efficiently as possible.

Any questions on this matter and additional travel savings techniques should be directed to Mr. Jon Mathis (202 586-4909) of my staff .

Attachment

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## Travel Cost Savings Practices

The following are synopses of practices that HQ/Field Office/contractors have successfully used to reduce travel costs. For additional details on these initiatives, please contact the organization's POC listed below. Also note that in some cases organizations other than the contact listed below may have also implemented these initiatives.

| #         | Practice   | Contact Organization      |
|-----------|--|---------------------------|
| <b>A.</b> | <b>Travel authorization and management</b>   |                           |
| A.1       | Central monitoring of conference and seminar attendance. Limiting the number of attendees going to the same meeting/conference. Monthly reporting of events, employees attending and expenses. | WSRC, CHICAGO             |
| A.2       | Monthly review of travel metrics. Monthly travel status reports. Automated travel expense reporting. Weekly reporting.   | WSRC, Allied, LMITCO, M&H |
| A.3       | 800 number established for phone calls back to site.   | WSRC                      |
| A.4       | Corporate travel agreements with airlines, etc., for discounts   | LMITCO                    |
| A.5       | Emphasize use of alternate communications, phone/video conferencing  | LMITCO, NV                |
| A.6       | Justification and management approval when using other than lowest available airfare or exceeding per diem   | PNNL, Allied              |
| A.7       | Bring the instructor on site for training classes, rather than sending large numbers of staff off-site to be trained   | M&H                       |
| A.8       | Schedule travel to coincide with other meetings and requirements at the same destination (or reschedule to make it fit)  | GFO                       |
| A.9       | Shorten the length of the trips. Arrive the morning of the first day of the trip and return at the end of the last day to minimize extra over night stays.                                     | Allied                    |
| A.10      | Encourage travelers to drive reasonable distances rather than fly  | SRWSI                     |
| A.11      | Encourage regularly scheduled meetings requiring travel to be scheduled less frequently (i.e., monthly to quarterly, etc.)   | RW                        |
| A.12      | Eliminate organizational travel staff in favor of utilizing contract travel services   | LLNL                      |
| A.13      | "Travel Awareness" program that makes travelers and their supervisors aware of lower cost travel options   | LLNL                      |
|           |  |                           |

| #        | Practice   | Contact Organization    |
|----------|--|-------------------------|
|          |  |                         |
| <b>B</b> | <b>Air fare costs</b>  |                         |
| B.1      | Maximum use of non-refundable discount airfares. Use Saturday night stays.   | WSRC, OR, PNNL, M&H, NV |
| B.2      | Utilize charter flights to certain destinations when a minimum of six passengers travel together                             | OR                      |
| B.3      | Negotiate discount airline programs with several airlines. Use corporate agreements.   | OR, PNNL, NV            |
| B.4      | Bulk airfare purchases - purchase blocks of tickets  | LMITCO                  |
| B.5      | Negotiate automatic 10% fare reduction, regardless of ticket form  | CHICAGO                 |
| B.6      | Negotiate reduced fares for specific city pairs  | CHICAGO, Allied         |
| B.7      | Use of "alternative sources," i.e., consolidators  | CHICAGO                 |
| B.8      | Group travel arrangements for air fares and hotels for large conferences   | CHICAGO                 |
| B.9      | Use of Internet to locate best airfares. Allow travelers to book online. Use ticketless e-fares.                             | CHICAGO, M&H, NV        |
|          |  |                         |
| <b>C</b> | <b>Lodging &amp; car rental costs</b>  |                         |
| C.1      | Negotiate preferred rates with hotels & car rentals in frequent destinations   | OR, Allied, NV          |
| C.2      | Negotiate special "one-way" airport rentals" with a major auto rental company  | CHICAGO                 |
| C.3      | Review for number of employees traveling and other factors   | M&H                     |
| C.4      | Eliminate car rentals for seminars where traveler staying at seminar hotel   | OR, NV                  |
| C.5      | Encourage/require car pooling in the use of rental cars when there is more than one person traveling to the same destination | SRWSI                   |
|          |  |                         |
|          |  |                         |

| #        | Practice  | Contact Organization   |
|----------|---|------------------------|
|          |   |                        |
| <b>D</b> | <b>Cash management</b>  |                        |
| D.1      | Corporate card program shifted from corporate to personal liability agreement   | WSRC, M&H              |
| D.2      | Electronically pay air fare purchases to take advantage of early pay rebate program   | OR                     |
| D.3      | Use corporate card for cash advances. Eliminate site cashier.   | WSRC, PNNL Allied      |
| D.4      | Travel agency agreement awarded on “best value,” revenue sharing on commissions   | WSRC, OR, PNNL, Allied |
|          |   |                        |
| <b>E</b> | <b>Other</b>  |                        |
| E.1      | Incentivize contract to minimize expenditures on travel   | Rocky Flats            |
| E.2      | Contract for dedicated shuttle transportation to/from airport for large conferences   | CHICAGO                |
| E.3      | Reimburse on Federal Per Diem per Joint Travel Regulations  | Allied                 |
| E.4      | Cost sharing program with employees - zero cost lodging, shared accommodations, frequent guest or flyer programs, less than per diem accommodations, compensation from airlines | M&H                    |

#### **KEY/POINTS OF CONTACT:**

Allied = Allied Signal FM&T, Kansas City; POC = Peggy Griffith, (816) 997-5849  
 CHICAGO = All Chicago Ops Office laboratories; POC = Sheena Coleman, (630) 252-2411  
 GFO = Golden Field Office; POC = Christine Phoebe, (303) 275-4752  
 LLNL = Lawrence Livermore Natl. Lab.; POC = David Leary, (925) 422-4113  
 LMITCO = Lockheed Martin Idaho Energy Tech.; POC = Mark Searle, (208) 526-5454  
 M&H = Mason & Hanger Corp, Pantex Plant; POC = W.G. Henglein, (806) 477-3702  
 NV = Nevada Operations Office contractors; POC = Rick Busboom, (702) 295-0729  
 OR = All Oak Ridge Operations Office contractors; POC = Nancy Beck, (423) 576-0690  
 PNNL = Pacific Northwest National Laboratory; POC = Barbara Grasher, (509) 373-2442  
 Rocky Flats = Kaiser Hill, LLC; POC = Paul Golan, (303) 966-2879  
 RW = Office of Civilian Radioactive Waste Mgmt.; POC = Chris Lukasik, (202) 586-5975  
 SRWSI = Savannah River, Wackenhut Security Invest.; POC = Harry Baird, (803) 952-7644  
 WSRC = Westinghouse Savannah River Company; POC = Nancy Padgett, (803) 952-8841